

Congress of the United States  
JOINT COMMITTEE ON TAXATION  
Washington, DC 20515-6453

**MEMORANDUM**

**OCT 23 2012**

**TO:**

**FROM:** Thomas A. Barthold

*T.A.B.*

**SUBJECT:** Revenue Estimate

This memorandum is a partial response to your request dated October 11, 2012, for a revenue estimate of a proposal limiting the amount of itemized deductions allowed in any taxable year to a maximum of \$17,000.

Beginning in 2013, your proposal would limit the total amount of itemized deductions to a maximum of \$17,000. The \$17,000 cap would apply to single filers, married couples filing a joint return, and taxpayers filing as heads of household. (For married couples filing separate returns, itemized deductions would be capped at \$8,500.) For years after 2013, the \$17,000 limit on itemized deductions would be indexed for inflation.

We estimate that your proposals would have the following effect on Federal fiscal year budget receipts:

<u>Item</u>	<u>Fiscal Years</u> <u>[Billions of Dollars]</u>											
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2012-17</u>	<u>2012-22</u>
Limit the total amount of itemized deductions to a maximum of \$17,000.....	63.8	86.7	87.9	93.3	98.0	102.3	106.3	110.1	113.8	118.2	429.7	980.4

**NOTE:** Details may not add to totals due to rounding.